news-item captioned "Modvat credit facility spawns parallel scam" appearing in the 'Indian Express' dated the 31st August, 1994;

(b) if so, the facts thereof; and

(c) the action taken in the matter by Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) to (c) Yes, Sir, the referred news item which appeared in the Indian Express dated 31-8-94 has been seen by the Government. It has been re ported that subsequent to extension of facility to the dealers to issue modvatable invoices, few cases of parallel invoicing have been detected by the Department. These are being dealt with in occ ordance with the provisions in the law. In the mean while, the Department has also is sued detailed instructions, which, inter-alia, build into the procedure, several safeguards against possible abuses.

RBI on inflation

1044. PROF. VIJAY KUMAR MALHOTRA: Will the Minister of FINANCE be pleased to state:

(a) whether the attention of Government has been drawn to the news article captioned "Runaway inflation. RBT sounds a warning" appearing in the 'Indian Express' dated 13th October, 1994;

(b) if so, the salient facts thereof; and

(c) the action taken thereon by Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY). (a) Yes, Sir.

(b) It is a write up of Prof. Madhu Dandvate quoting the Annual Re port of RBI for 1993-94 in which the possible impact of higher foreign exchange inflows on inflation has been highlighted.

(c) Government remains concerned about the renewal of the inflationary pressures and has undertaken a series of measures to dampen the inflationary uptrend. Some of these measures are listed below:

(i) Release of foodgrains from public stocks through open market sale by Food Corporation of India.

(ii) Placing import of sugar on OGL at zero duty.

(iii) Ensuring sugar availability for PDS by importing nearly 10 lakh tonnes at zero duty.

(iv) Allowing import of palmo-lein oil under OGL.

(v) Importing 1.07 lakh tonnes of palmolein oil for supply to consumers through PDS.

(vi) With effect from March 1995, allowing import of major edible oils under OGL at reduced duty of 30 per cent.

(vii) Allowing cotton import under OGL at zero duty.

(viii) Placing a cap on Central Government's borrowings from the RBI through the issue of ad hoc Treasury Bills and containing monetary growth through a series of measures including raising of CRR and sale of Government securities by the RBI.

Study carried ont by N.C.E.R.O. on smuggling

1045. SHRI GUNDAPPA KORWAR: Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has entrusted the New Delhi based National Council of Economic Research Organisation to carry out study on